

ORIGINAL



ARROYO WATER COMPANY

28DR

**HC 6 BOX 1048 L
PAYSON, ARIZONA 85541
928-474-1766
FAX: 928-474-7812**

February 5, 2007

Docket # W-04286A-04-0774
Arizona Corporation Commission
1200 W. Washington
Phoenix, Arizona 85007
Phone: 602-542-4251

Att: Del Smith

Per your request, we are re-submitting the Plant Description on the three forms that you previously faxed to us.

Attached you will find a copy of page 2; Information Summary from the last inspection Arizona Department of Environmental Quality did in November, 2006, cover page included. It states the current Plant Description. This is the information that we have been submitting to you.

Also included is a Staff Report to Kacy from the Arizona Corporation Commission dated June 24, 2005; which states the Plant Description which includes the cover page.

We are looking forward to an expedient process for the CC&N.

Thank you for your assistance.

Sincerely,

Kacy Parker
Kyle Parker

Arizona Corporation Commission
DOCKETED

FEB -7 2007

DOCKETED BY	NR
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AZ CORP COMMISSION
DOCUMENT CONTROL

2007 FEB -7 P 2:33

RECEIVED

Cover Sheet
Arizona Corporation Commission
Docket Control Center

Company/Case Name ARROYO WATER Co., Inc.
Doing Business As (d/b/a) _____
Docket Number (s) U2-04286-A-04-0774

Description of Document or Nature of Action
Please choose the item that best describes the nature of the case/filing.

UTILITIES - NEW APPLICATION

<input type="checkbox"/> New CC&N	<input type="checkbox"/> Main Extension
<input type="checkbox"/> Rates	<input type="checkbox"/> Contract/Agreements
<input type="checkbox"/> Interim Rates	<input type="checkbox"/> Formal Complaint
<input type="checkbox"/> Cancellation of CC&N	<input type="checkbox"/> Waiver/Rule Variance
<input type="checkbox"/> Deletion of CC&N	<input type="checkbox"/> Line Siting Committee Case
<input type="checkbox"/> Extension of CC&N	<input type="checkbox"/> Small Water Company - Surcharge
<input type="checkbox"/> Tariff (NEW)	<input type="checkbox"/> Sale of Assets & Transfer of Ownership
<input type="checkbox"/> Request for Arbitration	<input type="checkbox"/> Sale of Assets & Cancellation of CC&N
<input type="checkbox"/> Full or Partially Arbitrated	<input type="checkbox"/> Fuel Adjuster/PGA
<input type="checkbox"/> Interconnection Agreement	<input type="checkbox"/> Merger
<input type="checkbox"/> Voluntary Interconnection Agreement	<input type="checkbox"/> Financing
<input checked="" type="checkbox"/> Miscellaneous - Specify: <u>Resubmit PLANT DESCRIPTION</u>	

UTILITIES - REVISIONS/AMENDMENTS TO PENDING OR APPROVED MATTERS

<input type="checkbox"/> Application:	<input type="checkbox"/> Tariff: (Promotional or Compliance)
	(Circle One)
Company _____	Decision No. _____
Docket Number _____	Docket No: _____

SECURITIES or MISCELLANEOUS FILINGS

<input type="checkbox"/> Affidavit (Publication, Public Notice)	<input type="checkbox"/> Request/Motion for Extension of Time
<input type="checkbox"/> Comments	<input type="checkbox"/> Request/Motion for a Hearing
<input type="checkbox"/> Exception	<input type="checkbox"/> Request/Motion for an Intervention
<input type="checkbox"/> Exhibit(s)	<input type="checkbox"/> Miscellaneous Request/Motion
<input type="checkbox"/> Notice of Appearance/Intent	<input type="checkbox"/> Request/Motion for a Re-hearing
<input type="checkbox"/> Notice of Errata	<input type="checkbox"/> Request/Motion to Continue Hearing
<input type="checkbox"/> Opposition	<input type="checkbox"/> Request/Motion to Strike
<input type="checkbox"/> Petition	<input type="checkbox"/> Response
	<input type="checkbox"/> Testimony
	<input type="checkbox"/> Waiver
	<input type="checkbox"/> Witness List
	<input type="checkbox"/> Intervention

OTHER: _____

2-5-07
Date

KACY PARKER

Print the name of the person whose signature appears on the filing
(i.e. Contact Person, Respondent, Attorney, Applicant, etc.)



Janet Napolitano
Governor

ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY

1110 West Washington Street • Phoenix, Arizona 85007
(602) 771-2300 • www.azdeq.gov



Stephen A. Owens
Director

CTS-144792
December 15, 2006

CERTIFIED MAIL
Return Receipt Requested
7006-0100-0001-3360-2968

Kacy Parker
Arroyo Water Company
HC 6, Box 1048-L
Payson, Arizona 85541 -

Re: Notice of Violation issued to Arroyo Water Company, Public Water System 04-083, ICE
Inspection # 94677, Case # 76774

Dear Mr. Parker:

This letter constitutes the monthly update on the status of Arizona Department of Environmental Quality ("ADEQ") action resulting from ADEQ's inspection of the above-referenced site on November 3, 2006, as required by A.R.S. § 41-1009(H).

The attached Notice of violation ("NOV") is an informal compliance assurance tool used by ADEQ to put a responsible party (such as a facility owner or operator) on notice that the Department believes a violation of an environmental requirement has occurred. It describes the facts known to ADEQ at the time of issuance and cites the requirement that ADEQ believes the party has violated.

Although ADEQ has the authority to issue appealable administrative orders compelling compliance, an NOV has no such force or effect. Rather, an NOV provides the responsible party an opportunity to do any of the following before ADEQ takes formal enforcement action: (1) meet with ADEQ and discuss the facts surrounding the violation, (2) demonstrate to ADEQ that no violation has occurred, or (3) document that the violation has been corrected.

ADEQ reserves the right to take a formal enforcement action, such as issuing an administrative order or filing a civil lawsuit, regardless of whether the Department has issued an NOV. Neither ADEQ's issuance of an NOV nor its failure to do so precludes the Department from pursuing these remedies. However, the timeliness of a complete response to this notice will be considered by ADEQ in determining if and how to pursue such remedies.

Sincerely,

Patrick Finton
Environmental Engineering Specialist
Water Quality Field Services Unit
Northern Regional Office

1801 West Route 66 • Suite 117 • Flagstaff, AZ
86001
(928) 779-0313

Southern Regional Office

400 West Congress Street • Suite 433 • Tucson, AZ
85701
(520) 628-6733

Printed on recycled paper

Information Summary – Arroyo Water Company

December 15, 2006

Page 2

Summary

While the water system was able to close Consent Order DW-145-01 by meeting the compliance conditions in the order, the inadequate water storage violation continues to exist. As part of this inspection, a new Notice of Violation is being issued for the inadequate water storage, along with violations for failing to have a certified operator, failing to sample for nitrate, failing to have consumer confidence reports, failing to sample for lead and copper and for failing to maintain the pressure tank. An NOC is being issued for the monthly coliform violations. The water system needs to ensure that it can be contacted by State agencies and by its customers.

Facility Description

Arroyo Water Company is a community water system serving a subdivision on the east side of Tonto Creek in the Punkin Center, Arizona area. The well and plant are located on Escondido Road, while the service area is located on top of the Mesa. The system consists of one (1) well with two (2) submersible pumps in the well, one (1) 11,000 gallon bolted storage tank, one (1) 2,500 gallon pressure tank, booster pump, and the distribution system. The Entry point to the Distribution system (EPDS) is at the discharge end of the pressure tank. The water system does not chlorinate.

Summary of Field Observations

On March 15, 2000, Arroyo Water Company was issued a Notice of Violation for failing to meet the required minimum water storage capacity. The water system had 11,000 gallons of storage and needed to have 41,000 gallons of capacity. The Enforcement Unit combined the water capacity NOV with monitoring and reporting violations and issued Consent Order DW-145-01 to Arroyo Water Company, Inc. on December 5, 2001. The Consent Order required the water system to submit a complete Approval to Construct (ATC) application to ADEQ, which the water system did. The Consent Order was closed on July 3, 2002. After the Consent Order was closed, no further action occurred to increase the water storage capacity. Arroyo Water Company still does not meet the minimum water storage requirement. In 2000, the water system had 54 service connections. The water system now has 102 service connections, so the capacity deficiency is now greater than in 2000.

The water system is required to have a certified operator. The certified operator can be a remote operator, but the operator must live no more than 200 miles away and the remote operator must inspect the water system each month. Mr. Parker told the inspector that Mr. Williamson was not visiting the system each month and no other certified operator was associated with the water system. The water system needs to hire a competent certified operator that is knowledgeable in the drinking water rules and regulations.